

October 28, 2005

Mr. Michael L. Ulshafer, Acting Director
Office of Quality Assurance
Office of Repository Development
Office of Civilian Radioactive Waste Management
U. S. Department of Energy
1551 Hillshire Drive
Mail Stop 524
North Las Vegas, NV 89134

SUBJECT: U.S. NUCLEAR REGULATORY COMMISSION OBSERVATION AUDIT
REPORT OAR-05-06, OBSERVATION OF THE U.S. DEPARTMENT OF
ENERGY, OFFICE OF CIVILIAN RADIOACTIVE WASTE MANAGEMENT,
AUDIT OF BECHTEL SAIC COMPANY, LLC, OCRWMP-OQA-05-11, PROJECT
ENGINEERING AND RECORDS MANAGEMENT AND DOCUMENT CONTROL

Dear Mr. Ulshafer:

Enclosed is the U.S. Nuclear Regulatory Commission (NRC) Observation Audit Report No. OAR-05-06 regarding the subject audit. The U.S. Department of Energy (DOE), Office of Civilian Radioactive Waste Management, Office of Quality Assurance, conducted the audit on September 12-22, 2005, at the Bechtel SAIC Company, LLC (BSC), facility in Las Vegas, Nevada.

The DOE audit team assessed the effectiveness and implementation of applicable requirements and design engineering products relating to the Fuel Handling and Canister Handling Facilities. The audit team identified one Level B condition adverse to quality and four minor adverse conditions and concluded that, overall, BSC design engineering activities were being effectively implemented with the exception of design assumption justification. The audit team also concluded that design documents were satisfactory.

The NRC observers determined the audit was effective in assessing the adequacy of procedures, the implementation of procedures, and the effectiveness of the technical products and processes in meeting their intended objectives. The observers agreed with the audit team's conclusions, findings, and recommendation for process improvement. The observers identified two areas in which the audit process may be improved.

A written response to this letter and the enclosed report is not required. NRC staff will continue to interface with DOE and follow the actions BSC is taking to address the issues identified during this audit. If you have any questions, please contact Thomas Matula at 301-415-6700.

Sincerely,

/RA/

Elmo Collins, Chief
Licensing and Inspection Directorate
Division of High Level Waste Repository Safety
Office of Nuclear Material Safety
and Safeguards

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